

DIRECTIVE

JOB TRAINING PARTNERSHIP ACT

Number: D99-14

Date: September 11, 2000
69:113:is:3702

TO: SERVICE DELIVERY AREA ADMINISTRATORS
PRIVATE INDUSTRY COUNCIL CHAIRPERSONS
JTPD PROGRAM OPERATORS
EDD JOB SERVICE OFFICE MANAGERS
JTPD STAFF

SUBJECT: PROGRAM YEAR 1999 FUNDS FOR TRANSITION PLANNING

EXECUTIVE SUMMARY:

Purpose:

The purpose of this directive is to announce the issuance of Program Year (PY) 1999 Job Training Partnership Act (JTPA) funds to the substate level for Workforce Investment Act (WIA) transition planning; and to explain the allowable uses, expenditure limitations, and required reporting of the funds. Direction regarding the availability and use of PY 1998 and Federal Fiscal Year (FFY) 1998 funds for WIA transition planning was issued separately as Directive D98-17 on June 7, 1999.

Scope:

This directive applies only to PY 1999 funds issued to Service Delivery Areas (SDA). Only WIA transition planning costs occurring on or after July 1, 1999, through June 30, 2000, may be reported against these funds.

Effective Date:

This directive is effective immediately.

REFERENCES:

- Workforce Investment Act of 1998 (PL 105-220) Section 506(d)
- Department of Labor (DOL) JTPA Regional Bulletin (JRB) 30-98, Use of JTPA Funds for Planning for the Workforce Investment Act (December 17, 1998)
- The DOL Planning Guidance and Instructions for Submission of the Strategic Five-Year Plan for Title I of the Workforce Investment Act of 1998 and the Wagner-Peyser Act; Notice in the Federal Register (February 25, 1999)

- JTPA Directive D98-17, Subject: Use of PY (Program Year) 1998 and FFY (Federal Fiscal Year) 1998 JTPA Funds for WIA Transition Planning (June 7, 1999)

STATE-IMPOSED REQUIREMENTS:

This directive contains some State-imposed requirements. These requirements are indicated by ***bold, italic*** type.

FILING INSTRUCTIONS:

This directive finalizes Draft Directive DD-29, issued for comment on May 8, 2000. Retain this directive until further notice.

BACKGROUND:

The Workforce Investment Act (WIA) of 1998 (PL 105-220) was signed into law on August 7, 1998. The WIA mandated, by July 1, 2000, the implementation of Title I of the WIA program to replace the currently operating JTPA program. No separate WIA allocation was provided to fund the planning activities for transition from JTPA to WIA. However, Section 506 of the WIA allows each state to use up to two (2) percent of its FFY 1998, and FFY 1999 formula allotment for transition planning activities. Not less than 50 percent of such funds are to be made available to local entities.

The State set aside \$5.7 million of PY 1999 (FFY 1999) JTPA Title III 40 percent funds for use by SDAs for WIA transition planning activities occurring from July 1, 1999, through June 30, 2000. Issuance of these funds was held pending designation of the Local Areas under WIA.

POLICY AND PROCEDURES:

The amount of PY 1999 JTPA funds issued to each SDA to expend on WIA transition planning activities has been unilaterally modified into the Title III master subgrant (G065XXX) under Grant Code 582.

Funding for Planning Activities During PY 1999/2000

These funds have been available for use by SDAs for WIA transition planning expenditures that occur from July 1, 1999, through June 30, 2000. During this same time period, SDAs may continue to use any remaining funds authorized from PY 1998 and FFY 1998, as described in D98-17. Expenditures from funds authorized in D98-17 are to be reported separately from the funds authorized by this directive.

The SDAs requiring additional transition planning funds may spend available JTPA administration funds. These expenditures, however, will be subject to the JTPA cost limitation calculations appropriate for that particular funding stream.

Allowable Activities

The PY 1999 funds can only be used for transition planning activities that take place on or after July 1, 1999, but no later than June 30, 2000. These funds are to be used to plan programs and activities authorized under WIA. Examples of allowable local activities include:

- Convening meetings of various partners,
- Organizing local Workforce Investment Boards,
- Developing local WIA plans,
- Selecting the One-Stop operator(s),
- Entering into contracts with entities to provide recommendations on various partners' implementation issues and design strategies,
- Developing lists of eligible providers,
- Developing an Individual Training Account system, and
- Transferring equipment and records from a JTPA SDA to a WIA One-Stop operator.

These planning funds are not to be used for the purchase of equipment or for any activities related to the closeout of JTPA.

The SDAs are reminded that many partners are involved in the transition to the WIA. The funding needs for transitional planning activities of those partners must be considered in the budgeting and allocation of these funds.

SDA Expenditure/Project Plan

Although these funds are being issued from JTPA Title III 40 percent funds, no SDA expenditure or project plan is required to expend these funds.

Reporting

The PY 1999 funds will only be reported on a fourth quarter expenditure report for June 30, 2000, and the subsequent revisions and closeout reports. The WIA transition planning expenditures charged to Grant Code 582 are to be reported to the State on a separate JTPA 12E, in a manner similar to any other JTPA Title III 40 percent project. The June 30, 2000, report must include expenditures from July 1, 1999, through June 30, 2000.

List the allocation issued in PY 1999 under Grant Code 582 on line I.F., Total Allotment. List the amount expended on line II.B.5., Administration. Reports of \$0 expenditures must be filed.

Cost Limitations

These transition planning expenditures are not subject to any JTPA cost limitation calculations.

Unspent Funds Carried into PY 2000/2001

Any PY 1999 WIA transition planning funds that are unexpended as of June 30, 2000, must be closed out during the JTPA closeout process. Unspent funds then will be allocated back to the appropriate Local Workforce Investment Area as WIA funds. The funds will be placed in the WIA subgrant (number yet to be determined) designated for other unspent PY 1999 JTPA funds, under Grant Code 608. These funds are to be used for activities that continue the transition from the JTPA program to the WIA program, which is allowable under WIA Section 134(a)(2)(B)(i) and (v), and Section 134(a)(3)(A)(v) and (vii).

ACTION:

- Determine the amount spent since July 1, 1999, for your SDA transition planning activities and/or partners' transition planning activities you have funded.
- Expenditures from July 1, 1999, through June 30, 2000, may be charged to any remaining funds authorized under Directive D98-17 or to the funds issued under Grant Code 582. Determine the split, if any, for your SDA.
- Report the total cumulative expenditures from July 1, 1999, through June 30, 2000, that are to be charged to Grant Code 582 on a JTPA 12E report for Grant Code 582. (These expenditures cannot exceed the amount authorized for your SDA from PY 1999 funds.)
- ***Reports of \$0 expenditures, if applicable, must be filed.***
- Closeout Grant Code 582 during the JTPA closeout process.

INQUIRIES:

Please direct inquiries about this directive to David Rexus, Manager, Financial Management Unit, at (916) 654-8502.

/S/ BILL BURKE
Chief